

JIO HAPTİK TECHNOLOGİES LIMITED
FINANCIAL STATEMENTS
2021-22

INDEPENDENT AUDITOR'S REPORT

To the Members of Jio Haptik Technologies Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Jio Haptik Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, the statement of changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting

frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provisions of Section 197 of the Act;
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and as represented by the management:
 - i. The Company does not have any pending litigation which would impact its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) Management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Management has represented to us that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on our audit procedure conducted that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

For Pathak H. D. & Associates LLP
Chartered Accountants
(Firm Registration No. 107783W/W100593)

Gopal Chaturvedi
Partner
Membership No.: 090903
UDIN – 22090903AGVVTS2008

Place: Mumbai
Date: April 11, 2022

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Jio Haptik Technologies Limited on the financial statements for the year ended March 31, 2022)

- (i) a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.

(B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.
- b) As explained to us, all the Property, Plant and Equipment have been physically verified by the management during the year. No material discrepancies were noticed on such physical verification as compared with the available records.
- c) According to the information and explanations given to us and records examined by us, the Company does not have any immovable assets and accordingly, the provisions of Clause (i) (c) of paragraph 3 of the Order are not applicable to the Company.
- d) According to the information and explanations given to us and books of account and records examined by us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
- e) According to the information and explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) a) The Company does not have any inventories and accordingly, the provision of Clause (ii) (a) of paragraph 3 of the Order is not applicable to the Company.
- b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under Clause (ii) (b) of paragraph 3 of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and books of account and records examined by us, during the year the Company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of Clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered any transaction in respect of loans, investments, guarantees and security covered under Section 185 and 186 of the Act during the year. Therefore, the provisions of Clause (iv) of paragraph 3 of the Order are not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules made there under. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.

- (vi) According to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act in respect of activities carried on by the Company and accordingly, the provisions of Clause (vi) of paragraph 3 of the Order are not applicable to the Company.
- (vii) In respect of statutory dues:
- a. According to the records of the Company, undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute.
- (viii) According to the information and explanations given to us and representation given to us by the management, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) a) In our opinion and according to the information and explanations given and books of account and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) In our opinion and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- c) In our opinion and according to the information and explanations given and records examined by us, during the year the Company has not raised any term loan and there are no unutilised term loans at the beginning of the year and accordingly, the provisions of Clause (ix) (c) of paragraph 3 of the Order are not applicable to the Company.
- d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not raised any funds on short term basis, accordingly utilisation thereof for long term purposes does not arise.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company does not have any subsidiary, associate or joint venture and hence the provisions of Clause (ix) (e) of paragraph 3 of the Order are not applicable to the Company.
- f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company does not have any subsidiary, associate or joint venture and hence the provisions of Clause (ix) (f) of paragraph 3 of the Order are not applicable to the Company.
- (x) a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence the provision of Clause (x) (a) of paragraph 3 of the Order is not applicable to the Company.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or

private placement of shares or fully, partially or optionally convertible debentures during the year. Therefore, the provisions of Clause (x) (b) of paragraph 3 of the Order are not applicable to the Company.

- (xi) a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by us or by any other auditor in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.
- b) As mentioned in sub-clause (a) above, the Company is not required to have an internal audit system as per provisions of the Act and accordingly, the provisions of Clause (xiv) (b) of paragraph 3 of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.
- (xvi) a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b) In our opinion and according to the information and explanations given to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act, 1934.
- c) In our opinion and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) According to the information and explanations provided to us, the Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the provision of Clause (xvi) (d) of paragraph 3 of the Order is not applicable to the Company.

- (xvii) In our opinion and according to the information and explanations provided to us, Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the provision of Clause (xviii) of paragraph 3 of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us and the records of the Company examined by us, the provisions of Section 135 of the Act does not apply to the Company and accordingly, the provisions of Clause (xx) of paragraph 3 of the Order are not applicable to the Company.

For Pathak H. D. & Associates LLP
Chartered Accountants
(Firm Registration No. 107783W/W100593)

Gopal Chaturvedi
Partner
Membership No.: 090903
UDIN – 22090903AGVVTS2008

Place: Mumbai
Date: April 11, 2022

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Jio Haptik Technologies Limited on the financial statements for the year ended March 31, 2022)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial over financial reporting of Jio Haptik Technologies Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

A Company’s internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that

transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over financial statements issued by the Institute of Chartered Accountants of India.

For Pathak H. D. & Associates LLP
Chartered Accountants
(Firm Registration No. 107783W/W100593)

Gopal Chaturvedi
Partner
Membership No.: 090903
UDIN – 22090903AGVVTS2008

Place: Mumbai
Date: April 11, 2022

JIO HAPTIK TECHNOLOGIES LIMITED

Balance Sheet as at 31st March, 2022

Particulars	Notes	(Rs. in lakhs)	
		As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non - Current Assets			
Property, Plant and Equipment	1	178	116
Intangible assets	1	15,967	18,275
Intangible Assets under Development	1	15,803	7,610
Deferred tax assets (net)	22	1,790	-
Other Financial Assets	2	33	33
Other Non-Current Assets	3	290	120
Total Non-Current Assets		34,061	26,154
Current Assets			
Financial Assets			
Investments	4	-	805
Trade receivables	5	1,639	661
Cash and Cash Equivalents	6	125	130
Other Current Assets	7	733	435
Total Current Assets		2,497	2,031
Total Assets		36,558	28,185
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	4,913	4,913
Other Equity	9	26,048	22,410
Total Equity		30,961	27,323
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	10	2,292	-
Provisions	11	153	119
Total Non-Current liabilities		2,445	119
Current Liabilities			
Financial Liabilities			
Trade payables dues to			
Micro and Small Enterprise		29	-
Other than Micro and Small Enterprises	12	403	263
Other Financial liabilities	13	1,162	208
Other Current liabilities	14	1,434	180
Provisions	15	124	92
Total Current Liabilities		3,152	743
Total Liabilities		5,597	862
Total Equity and Liabilities		36,558	28,185
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1-33		

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W/ W100593

For and on behalf of the Board

Gopal Chaturvedi
Partner
Membership No. 090903

Sanjay Mashruwala
Director

Jyotindra H. Thacker
Director

Kiran Mathew Thomas
Director

Shobhan Madhukant Thakore
Director

Aakrit Ajay Kumar Vaish
Whole Time Director

Dhirendra Shah
Director

Date: April 11, 2022

Partha Roy
Chief Financial Officer

Rahul Mukherjee
Company Secretary

JIO HAPTİK TECHNOLOGIES LIMITED

Statement of Profit and Loss for the year ended 31st March, 2022

(Rs. in lakhs)

	Notes	2021-22	2020-21
INCOME			
Revenue from Operations	16	3,695	2,046
Other Income	17	13	43
Total Income		3,708	2,089
EXPENSE			
Employee Benefits Expense	18	1,323	1,426
Finance Costs (Interest)		17	0
Depreciation and Amortisation Expense	1	2,379	2,352
Other Expenses	19	1,147	700
Total Expenses		4,866	4,478
Profit / (Loss) before tax		(1,158)	(2,389)
Tax expenses			
Deferred Tax	22	1,792	-
Profit/(Loss) for the year		634	(2,389)
Other Comprehensive Income			
(i) Items that will not be reclassified to Statement of Profit and Loss	21	9	19
(ii) Income tax relating to items that will not be reclassified to Profit or loss	22	(2)	-
Total Other Comprehensive Income for the year (Net of Taxes)		7	19
Total Comprehensive Income / (Loss) for the period		641	(2,370)
Earnings / (Loss) per equity share of face value of Rs. 10 each			
Basic Earning/ (Loss) (in Rupees)	20	1.29	(5.18)
Diluted Earning/ (Loss) (in Rupees)	20	1.18	(5.18)
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	1-33		

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W/ W100593

For and on behalf of the Board

Gopal Chaturvedi
Partner
Membership No. 090903

Sanjay Mashruwala
Director

Jyotindra H. Thacker
Director

Kiran Mathew Thomas
Director

Shobhan Madhukant Thakore
Director

Aakrit Ajay Kumar Vaish
Whole Time Director

Dhirendra Shah
Director

Date: April 11, 2022

Partha Roy
Chief Financial Officer

Rahul Mukherjee
Company Secretary

JIO HAPTIK TECHNOLOGIES LIMITED

Statement of Changes In Equity for the year ended 31st March, 2022

A. EQUITY SHARE CAPITAL

Particulars	(Rs. in lakhs) Amount
Balance as at 1st April, 2020	4,350
Change during the year 2020-21	563
Balance as at 31st March, 2021	4,913
Change during the year 2021-22	-
Balance as at 31st March, 2022	4,913

B. Other Equity

Reserves and Surplus

Particulars	Securities Premium Reserve	Share Based Payments Reserve	Retained Earnings	Instrument Classified as Equity#	Other Comprehensive Income	Total
As on 31st March 2021						
Balance as at 1st April, 2020	23,450	671	(3,873)	-	5	20,253
Profit/(Loss) for the period	-	-	(2,389)	-	-	(2,389)
Other Comprehensive Income for the year*	-	-	-	-	19	19
Equity Share Issued & Allotted	3,938	-	-	-	-	3,938
On Employee Stock Option	-	589	-	-	-	589
Balance as at 31st March, 2021	27,388	1,260	(6,262)	-	24	22,410
As on 31st March, 2022						
Balance as at 1st April, 2021	27,388	1,260	(6,262)	-	24	22,410
Profit/(Loss) for the period	-	-	634	-	-	634
Other Comprehensive Income for the year*	-	-	-	-	7	7
Equity Shares Issued	-	-	-	-	-	-
On Employee Stock Option	-	714	-	-	-	714
Additions during the year	-	-	-	2,283	-	2,283
Balance as at 31st March, 2022	27,388	1,974	(5,628)	2,283	31	26,048

*Other Comprehensive Income for the year includes re-measurement gains/(losses) on defined benefit plans for the year net of taxes

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W/ W100593

For and on behalf of the Board

Gopal Chaturvedi
Partner
Membership No. 090903

Sanjay Mashruwala
Director

Jyotindra H. Thacker
Director

Kiran Mathew Thomas
Director

Shobhan Madhukant Thakore
Director

Aakrit Ajay Kumar Vaish
Whole Time Director

Dhirendra Shah
Director

Partha Roy
Chief Financial Officer

Rahul Mukherjee
Company Secretary

Date: April 11, 2022

JIO HAPTIK TECHNOLOGIES LIMITED

Cash Flow Statement for the year ended 31st March, 2022

Particulars	2021-22	(Rs. in lakhs) 2020-21
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net (Loss) before tax as per Statement of Profit and Loss	(1,158)	(2,389)
Adjusted for:		
Net Gain on Sale of Current Investments	(13)	(23)
Depreciation	2,379	2,352
Employee Stock Option Provision	79	206
Interest and Finance charges	17	0
	<u>2,462</u>	<u>2,535</u>
Operating Profit before Working Capital Changes	1,304	146
Adjusted for:		
Trade and Other Receivables	(1,276)	(424)
Trade and Other Payables	1,135	(150)
Cash Generated from/(Used in) Operations	<u>(141)</u>	<u>(574)</u>
Taxes Paid (Net)	(170)	(79)
Net Cash flow from / (used in) from Operating Activities (A)	<u>993</u>	<u>(507)</u>
B CASH FLOW FROM INVESTING ACTIVITIES:		
Payment for Property, Plant and Equipment (Including movement in Intangible Assets Under Development)	(6,316)	(3,645)
Purchase of Investments	(3,998)	(4,685)
Sale of Investments	4,816	4,340
Net Cash flow (used in) Investing Activities (B)	<u>(5,498)</u>	<u>(3,990)</u>
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Equity Shares	-	4,500
Proceeds from Non-Current Borrowings (Refer note 10)	4,500	-
Interest and Finance Charges Paid	-	(0)
Net Cash flow Generated from Financing Activities (C)	<u>4,500</u>	<u>4,500</u>
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(5)	3
Opening Balance of Cash and Cash Equivalents	130	127
Closing Balance of Cash and Cash Equivalents (Refer Note 6)	125	130

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W/ W100593

Gopal Chaturvedi
Partner
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Director

Partha Roy
Chief Financial Officer

Rahul Mukherjee
Company Secretary

Date: April 11, 2022

JIO HAPTIK TECHNOLOGIES LIMITED**Statement of Changes In Liability for the year ended 31st March, 2022**

Particulars	Note				(Rs. in lakhs)
		1st April 2021	Cash Flow	Foreign Exchange Movement	31st March 2022
Borrowing Non Current	10	-	4,500	-	4,500
Borrowing Current		-	-	-	-
Total		-	4,500	-	4,500

Statement of Changes In Liability for the year ended 31st March, 2021

Particulars	Note				(Rs. in lakhs)
		1st April 2020	Cash Flow	Foreign Exchange Movement	31st March 2021
Borrowing Non Current	10	-	-	-	-
Borrowing Current		-	-	-	-
Total		-	-	-	-

JIO HAPTIK TECHNOLOGIES LIMITED**Notes to the Financial Statements for the year ended 31st March, 2022****A CORPORATE INFORMATION**

Jio Haptik Technologies Limited ("the Company") is a limited company incorporated in India. The registered office address is 101, Saffron, Nr. Centre Point, Panchwati 5 Rasta, Ambawadi, Ahmedabad - 380006, Gujarat, India. The Company's immediate holding company is Jio Platforms Limited and ultimate holding company is Reliance Industries Limited.

Jio Haptik Technologies Limited is involved in the business of developing conversational artificial intelligence driven platform which respond to customer queries to help them resolve issues raised by them.

B SIGNIFICANT ACCOUNTING POLICIES**B.1 BASIS OF PREPARATION AND PRESENTATION**

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statement.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

- i Certain financial assets and liabilities (including derivative instruments),
- ii Defined Benefit Plans - Plan Assets
- iii Equity settled Share Based Payments

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) prescribed under Section 133 of Companies Act, 2013 (the "Act"). read with rule 3 of the companies (Indian Accounting Standards) Rules, 2015 as amended

Company's financial statements are presented in Indian Rupees, which is also its functional currency and all values are rounded to the nearest thousand, except when otherwise indicated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) Current and Non-Current Classification:**

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Property, plant and equipment:

Property Plant and Equipments is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, non refundable duties and taxes and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Expenses incurred relating to project, net of income earned during project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work in Progress.

Depreciation on Property Plant and Equipments is provided on straight line method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 unless otherwise stated.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

JIO HAPTIK TECHNOLOGIES LIMITED**Notes to the Financial Statements for the year ended 31st March, 2022****(c) Intangible assets:**

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, non refundable duties and taxes and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Expenses incurred relating to project, net of income earned during project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intellectual Property Rights are amortised on straight line method and based on useful life of 10 years. The amortisation period and the amortisation method for Intangible Assets with a finite useful life are reviewed at each reporting date.

(d) Finance Cost

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the statement profit and loss in the period in which they are incurred.

(e) Impairment of non financial Assets - property, plant and equipment and intangible assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such impairment exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(f) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

JIO HAPTIK TECHNOLOGIES LIMITED**Notes to the Financial Statements for the year ended 31st March, 2022****(g) Employee benefits****(i) Short Term Employee Benefits :**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(ii) Post employment benefits :

Defined Contribution Plans: A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans: The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972. The liability in respect of defined benefit plans and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

(h) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In this case, the tax is also recognised in other comprehensive income and equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of thereporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred Tax Asset and Deferred Tax Liability are offset if legally enforceable right exist to set off the current tax assets against current tax liabilities and deferred taxes relate to the same authority.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits repayable on demand or maturing within three months of the date of acquisition and which are subject to an insignificant risk of change in value.

(j) Foreign Currencies**Transactions and Translation**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised as pre-operative expenses and disclosed under Intangible Assets Under Development).

JIO HAPTIK TECHNOLOGIES LIMITED**Notes to the Financial Statements for the year ended 31st March, 2022****(k) Revenue recognition**

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following conditions are satisfied:

- Revenue can be measured reliably,
- It is probable that the economic benefit associated with the transaction will flow to the Company,
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Contract Balances**Trade Receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

(l) Financial Instruments**i) Financial Assets****A. Initial recognition and measurement:**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement**a) Financial assets carried at amortised cost (AC)**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

D. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

JIO HAPTIK TECHNOLOGIES LIMITED**Notes to the Financial Statements for the year ended 31st March, 2022****ii) Financial liabilities****A. Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and in case of loans and borrowings and payables, net of directly attributable cost. Fees of recurring nature are directly recognised in profit or loss as finance cost.

B. Subsequent measurement:

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables including creditors for capital expenditure maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

iv) Derecognition of Financial Instruments

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(m) Share Based Payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(n) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

a) Depreciation and useful lives of property plant and equipment

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

JIO HAPTIK TECHNOLOGIES LIMITED**Notes to the Financial Statements for the year ended 31st March, 2022****c) Impairment of non-financial assets:**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

d) Impairment of financial assets:

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

e) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

(f) Recognition of Deferred Tax Asset and Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

g) Fair Value Measurement

For estimates relating to fair value of financial instruments refer note 25 of financial statements.

h) Global Health Pandemic on Covid-19

The Company has taken into consideration the impact of COVID-19 on various elements of the financial statements basis the available external and internal information and is of the view that the events do not have any material implication for the Company.

D STANDARDS ISSUED BUT NOT EFFECTIVE

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instrument
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 – Agriculture

Application of above standards are not expected to have any significant impact on the company's financial statements.

JIO HAPTIK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

1. Property, Plant and Equipment, Intangible Assets and Intangible Assets Under Development

(Rs. in lakhs)

Description	Gross Block				Depreciation/Amortisation			Net Block		
	As at	Additions /Adjustment	Deduction /Adjustment	As at	As at	For the year	Deduction /Adjustment	As at	As at	As at
	01-04-2021			31-03-2022	01-04-2021			31-03-2022	31-03-2022	31-03-2021
Property, Plant and Equipment										
Own Assets :										
Plant and Equipments	134	129	-	263	48	66	-	114	149	86
Furniture & Fixtures	29	-	-	29	5	3	-	8	21	24
Office Equipments	18	4	-	22	12	2	-	14	8	6
Total A	181	133	-	314	65	71	-	136	178	116
Intangible Assets*										
Intellectual Property Rights	23,083	-	-	23,083	4,808	2,308	-	7,116	15,967	18,275
Total B	23,083	-	-	23,083	4,808	2,308	-	7,116	15,967	18,275
Total (A+B)	23,264	133	-	23,397	4,873	2,379	-	7,252	16,145	18,391
Previous Year Figures	23,218	46	-	23,264	2,521	2,352	-	4,873	18,391	-
Intangible Assets under Development									15,803	7,610

* Other than internally generated

"0" represents the amount below the denomination threshold.

Intangible Assets under Development includes Rs.8,193 lakhs (PY-Rs.3,903 lakhs) on account of project development expenditure

1.1 Intangible Assets Under Development (IAUD)

(a) Ageing schedule as at 31st March, 2022:

(Rs. in lakhs)

Particulars	Amount in IAUD for period of				Total
	< 1 year	1-2 year	2-3 year	> 3 year	
Projects in Progress	8,193	3,903	3,707	-	15,803
Projects temporarily suspended	-	-	-	-	-
Total	8,193	3,903	3,707	-	15,803

1.2 Intangible Assets Under Development (IAUD):

(a) Ageing schedule as at 31st March, 2021:

(Rs. in lakhs)

Particulars	Amount in IAUD for period of				Total
	< 1 year	1-2 year	2-3 year	> 3 year	
Projects in Progress	3,903	3,707	-	-	7,610
Projects temporarily suspended	-	-	-	-	-
Total	3,903	3,707	-	-	7,610

1.3 There is no time and cost overrun for any of the projects forming part of IAUD in view of readiness of an asset for intended management use being determined based in achievement of Key Performance Indicators (KPIs) for a consistent period of time.

JIO HAPTIK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

	As at 31st March, 2022	(Rs. in lakhs) As at 31st March, 2021
2 Other Financial Assets - Non Current (Unsecured and Considered Good)		
Security Deposits	33	33
Total	<u>33</u>	<u>33</u>
3 Other Non-Current Assets (Unsecured and Considered Good)	As at 31st March, 2022	(Rs. in lakhs) As at 31st March, 2021
Advance Income Tax (Net of Provision)	290	120
Total	<u>290</u>	<u>120</u>
3.1 Advance Income Tax (Net of Provision)	As at 31st March, 2022	(Rs. in lakhs) As at 31st March, 2021
At start of the year	120	41
Paid during the year	170	79
At end of the year	<u>290</u>	<u>120</u>
4 Current Investments	As at 31st March, 2022	(Rs. in lakhs) As at 31st March, 2021
	Units Amount	Units Amount
Investments Measured at Fair Value Through Profit and Loss (FVTPL)		
Aditya Birla Sun Life - Liquid Fund - Direct Plan Growth (Face value of Rs. 100 each)	- -	2,42,887 805
Total	<u>- -</u>	<u>2,42,887 805</u>
Aggregate amount of Unquoted Investments	<u>-</u>	<u>805</u>
4.1 Category-wise Current Investment	As at 31st March, 2022	(Rs. in lakhs) As at 31st March, 2021
Financial assets measured at Fair value through Profit & Loss (FVTPL)	-	805
Total Current Investments	<u>-</u>	<u>805</u>
5 Trade receivables (Unsecured)	As at 31st March, 2022	(Rs. in lakhs) As at 31st March, 2021
Considered Good	1,639	661
Credit impaired	40	40
Less: Provision on Trade Receivable - Credit Impaired	(40)	(40)
Total	<u>1,639</u>	<u>661</u>

JIO HAPTIK TECHNOLOGIES LIMITED**Notes on Financial Statements for the year ended 31st March, 2022****5.1 Trade Receivables ageing schedule as at 31st March, 2022:**

(Rs. in lakhs)

Particulars	Outstanding from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 year	2-3 year	> 3 year	
Undisputed Trade receivables – considered good	520	115	67	-	-	702
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	520	115	67	-	-	702

5.2 Trade Receivables ageing schedule as at 31st March, 2021:

(Rs. in lakhs)

Particulars	Outstanding from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 year	2-3 year	> 3 year	
Undisputed Trade receivables – considered good	308	55	-	-	-	363
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	308	55	-	-	-	363

	As at 31st March, 2022	(Rs. in lakhs) As at 31st March, 2021
6 Cash and Cash Equivalents		
Balances with Banks	125	130
In current accounts		
Cash and Cash Equivalents as per Balance Sheet	<u>125</u>	<u>130</u>
Cash and Cash Equivalents as per Cash Flow Statement	<u>125</u>	<u>130</u>

	As at 31st March, 2022	(Rs. in lakhs) As at 31st March, 2021
7 Other Current Assets (Unsecured and considered good)		
Balance with GST authorities	563	397
Others*	170	38
Total	<u>733</u>	<u>435</u>

*Includes advance given to BCCI and pre-paid expenses

JIO HAPTIK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

	As at 31st March, 2022		(Rs. in lakhs) As at 31st March, 2021	
	Units	Amount	Units	Amount
8 Share Capital				
Authorised Share Capital :				
Equity Shares of Rs.10 each	5,00,00,000	5,000	5,00,00,000	5,000
		<u>5,000</u>		<u>5,000</u>
Issued, Subscribed and Paid up:				
Equity Shares of Rs.10 each fully paid up	4,91,25,000	4,913	4,91,25,000	4,913
TOTAL		<u>4,913</u>		<u>4,913</u>

8.1 Terms/ rights attached to Equity Shares :

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by them.

8.2 The reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31st March, 2022	As at 31st March, 2021
	No. of Shares	No. of Shares
No. of shares at the beginning of the year	4,91,25,000	4,35,00,000
Add: Issue of Shares	-	56,25,000
No. of shares at the end of the year	<u>4,91,25,000</u>	<u>4,91,25,000</u>

8.3 The details of shareholders holding more than 5% shares:

Name of Shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No of Shares	% held	No of Shares	% held
Jio Platforms Limited (Holding Company)	4,91,25,000	100%	4,91,25,000	100%

8.4 Shareholding of Promoter**As at 31st March, 2022**

Class of Equity Share	Promoter's Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Fully paid-up equity shares of Rs.10 each	Jio Platforms Limited	4,91,25,000	-	4,91,25,000	100%	-
Total				4,91,25,000	100%	

As at 31st March, 2021

Class of Equity Share	Promoter's Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Fully paid-up equity shares of Rs.10 each	Jio Platforms Limited	4,35,00,000	56,25,000	4,91,25,000	100%	-
Total				4,91,25,000	100%	

JIO HAPTİK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

	As at 31st March, 2022	(Rs. in lakhs) As at 31st March,2021
9 Other Equity		
Securities Premium Reserve	27,388	27,388
Share Based Payments Reserve	1,974	1,260
Retained Earnings	(5,597)	(6,238)
Instrument Classified as Equity	2,283	-
Total	26,048	22,410

	As at 31st March, 2022	(Rs. in lakhs) As at 31st March,2021
9.1 Securities Premium Reserve		
Balance at beginning of year	27,388	23,450
Add: On issue of shares	-	3,938
Balance at end of the period	27,388	27,388
9.2 Share Based Payments Reserve		
Balance at beginning of year	1,260	671
Add: Employee Stock Options Granted	714	589
Balance at end of the period	1,974	1,260
9.3 Retained Earnings		
Balance at beginning of year	(6,238)	(3,868)
Profit/(Loss) for the year	634	(2,389)
Other Comprehensive Income for the year*	7	19
Balance at end of the period	(5,597)	(6,238)

*Other Comprehensive Income for the year includes re-measurement gains/(losses) on defined benefit plans for the year net of taxes

9.4 Instrument Classified as Equity		
0.0001% Unsecured Optionally Fully Convertible Debentures		
Balance at beginning of year	-	-
Additions during the year (Refer Note 10.1)	2,283	-
Balance at end of the period	2,283	-

	As at 31st March, 2022	(Rs. in lakhs) As at 31st March,2021
10 Borrowings - Non Current		
Unsecured - At Amortised Cost		
Optionally Fully Convertible Debentures*	2,292	-
Total	2,292	-

*Issue of 45,000 - 0.0001% Unsecured Optionally Fully Convertible Debentures of Rs. 10,000 each, for cash at par, aggregating to Rs. 45,00,00,000 (Rupees Forty Five crores only), on rights basis to Jio Platforms Limited (Holding Company).The tenure of each OFCD shall be 10 years from date of allotment. This was issued in multiple tranches during the year as detailed below:

Number of Debentures	Date of Allotment	Amount (Rs. In Lakhs)
15,000 units	22.07.2021	1,500
7,500 units	28.09.2021	750
7,500 units	17.11.2021	750
5,000 units	31.12.2021	500
10,000 units	22.02.2022	1,000
Total 45,000 units		4,500

10.1 Terms of Optionally Fully Convertible Debentures (OFCD)

- i) Each Optionally Fully Convertible Debentures(OFCD) is issued at a face value of Rs. 10,000/-
- ii) The company shall have a option for conversion into such equal number of Equity shares, based on the conversion ratio provided herein below Number of Equity shares issued upon conversion of 1(one)OFCD = Face value of 1 OFCD/Fair Market value(FMV)of 1 Equity shares at the time of Conversion The Tenure of each OFCD shall be 10 (ten)years from the date of its allotment. OFCDs may be redeemed at any time earlier than 10 (ten) years (at any date after expiry of 30 days from the date of allotment of the OFCDs) at the option of the Company.

JIO HAPTİK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

11 Provisions-Non Current	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March,2021
Provisions for employee benefits (Refer note-21)	153	119
Total	153	119

12 Trade payables dues to	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March,2021
Micro and Small Enterprises*	29	-
Other than Micro and Small Enterprises	403	263
Total	432	263

*There are no overdue amounts to Micro, Small and Medium Enterprises as at 31st March, 2022

12.1 Trade Payables Ageing as at 31st March, 2022:

Particulars	(Rs. in lakhs)				Total
	Outstanding from due date of payment				
	< 1 year	1-2 year	2-3 year	> 3 year	
MSME	-	-	-	-	-
Others	98	1	0*	3	101
Disputed-MSME	-	-	-	-	-
Disputed-Others	-	-	-	-	-
Total	98	1	0*	3	101

* Rs.33,657

12.2 Trade Payables Ageing as at 31st March, 2021:

Particulars	(Rs. in lakhs)				Total
	Outstanding from due date of payment				
	< 1 year	1-2 year	2-3 year	> 3 year	
MSME	-	-	-	-	-
Others	40	1	3	-	44
Disputed-MSME	-	-	-	-	-
Disputed-Others	-	-	-	-	-
Total	40	1	3	-	44

13 Other Financial Liabilities- Current	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March,2021
Creditors for Capital Expenditure	1,162	208
Total	1,162	208

14 Other Current Liabilities	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March,2021
Revenue Received in advance	873	-
Other Payables*	561	180
Total	1,434	180

*Includes Salary Dues payable, other sundry payable, statutory dues, etc.

15 Provisions-Current	(Rs. in lakhs)	
	As at 31st March, 2022	As at 31st March,2021
Provisions for employee benefits (Note 21)	124	92
Total	124	92

JIO HAPTIK TECHNOLOGIES LIMITED**Notes on Financial Statements for the year ended 31st March, 2022**

	2021-22	(Rs. in lakhs) 2020-21
16 Revenue from Operations		
Sale of Services	4,143	2,415
Less: GST Recovered	(448)	(369)
Total	3,695	2,046
		(Rs. in lakhs) 2020-21
17 Other Income	2021-22	
Interest Income (Previous Year Rs. 23,165)	-	0
Net Gain on Investments		
Realised Gain	13	20
Unrealised Gain	-	3
Other Income	-	20
Total	13	43
"0" represents the amount below the denomination threshold.		
		(Rs. in lakhs) 2020-21
18 Employee Benefits Expense	2021-22	
i Salaries and Wages	1,286	1,386
ii Contribution to Provident and Other Funds	26	34
iii Staff Welfare Expenses	11	6
Total	1,323	1,426
		(Rs. in lakhs) 2020-21
19 Other Expenses	2021-22	
Rent	22	26
Repairs and Maintenance - Others	1	1
Electricity Charges	5	4
Insurance	17	40
Provision for doubtful debts/Written off (Net)	-	40
Professional Fees	331	58
Payment to Auditors (Refer Note 28)	9	7
Technology Expenses	278	190
Travelling Expenses	10	1
Telephone Expenses	2	4
Sales and Marketing Expenses	249	269
Exchange Difference	12	(3)
Director Sitting Fees	8	5
Subscription Fees	5	1
General Expenses	198	57
Total	1,147	700

JIO HAPTIK TECHNOLOGIES LIMITED**Notes on Financial Statements for the year ended 31st March, 2022**

20 EARNINGS PER SHARE (EPS)	2021-22	2020-21
Face Value per equity share (Rs.)	10	10
Basic Earning Per Share		
i. Profit/(Loss) for the year as per Statement of Profit and Loss (Rs. in lakhs)	634	(23,89)
ii. Weighted Average number of equity shares used as denominator for calculating Basic EPS	4,91,25,000	4,60,89,041
iii. Basic Earnings per share (Rs.)	1.29	(5.18)
Dilutive Earning per Share		
i. Profit/(Loss) for the year as per Statement of Profit and Loss (Rs. in lakhs)	634	(2,389)
ii. Weighted Average number of equity shares used as denominator for calculating Dilutive EPS#	5,37,72,572	4,60,89,041
iii. Diluted Earnings per share (Rs.)	1.18	(5.18)
RECONCILIATION OF WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		
Weighted Average number of equity shares used as denominator for Calculating Basic EPS	4,91,25,000	4,60,89,041
Total Weighted Average Potential Equity Shares#	46,47,572	48,06,656
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS*	5,37,72,572	4,60,89,041

*Since for FY 2020-21 the Potential Equity shares are anti dilutive hence not considered

#The nature of this potential equity share is shares vested to employees under ESOP scheme.

21 As per Indian Accounting Standard 19 "Employee benefits" the disclosures as defined are given below :**Defined Contribution Plans**

Contribution to Defined Contribution Plans, recognised as expense for the year is as under :

Particulars	2021-22	2020-21
Employer's Contribution to Provident Fund	37	24
Employer's Contribution to Pension Fund	21	23

Defined Benefit Plan**I) Reconciliation of opening and closing balances of Defined Benefit Obligation**

	Gratuity (Unfunded)	(Rs. in lakhs)
	2021-22	2020-21
Defined Benefit obligation at beginning of the year	123	94
Add : Transfer on account of business acquisition	-	-
Current Service Cost	54	44
Interest Cost	9	6
Benefits Paid	(21)	(2)
Actuarial (gain) / loss	(9)	(19)
Defined Benefit obligation at year end	156	123

JIO HAPTIK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

II) Reconciliation of fair value of assets and obligations

	(Rs. in lakhs)	
	Gratuity (Unfunded)	
	As at 31st March	
	2022	2021
Fair value of Plan assets	-	-
Present value of obligation	156	123
Amount recognised in Balance Sheet	(156)	(123)

III) Expenses recognised during the year

	(Rs. in lakhs)	
	Gratuity (Unfunded)	
	2021-22	2020-21
Current Service Cost	54	44
Interest Cost	9	6
Net Cost	63	50
In Other Comprehensive Income	(9)	(19)
Net (Income)/Expense for the period recognised in OCI	54	31

IV) Actuarial assumptions

	(Rs. in Lakhs)	
	Gratuity (Unfunded)	
	2021-22	2020-21
Mortality Table		
Discount rate (per annum)	7.09%	6.95%
Expected rate of return on plan assets (per annum)	N.A.	N.A.
Rate of escalation in salary (per annum)	6.00%	6.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

V) Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Particulars	(Rs. in Lakhs)			
	As at 31st Mar'22		As at 31st March, 2021	
	Decrease	Increase	Decrease	Increase
Change in rate of discounting (delta effect of +/- 0.5%)	15	-13	12	-11
Change in rate of salary increase (delta effect of +/- 0.5%)	-13	15	-11	12
Change in rate of employee turnover (delta effect of +/- 0.5%) (Previous Year: Decrease Rs. 40,586 and Increase Rs. 34,927)	-1	1	0	0

These plans typically expose the Group to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in bond interest rate will increase the plan liability; however, this will be partially offset by an increase in return on the plan debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

JIO HAPTIK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

- 22 Deferred Tax Asset (net) of Rs. 1790 Lakh on account of carried forward losses is recognised on consideration of prudence.
Deferred Tax Asset (net) of Previous Year Rs. 1557 Lakh on account of carried forward losses was not recognised on consideration of prudence.

	(Rs. in lakhs)	
	As at	
Deferred Tax Assets (Net)	31st Mar 22	31st Mar 21
At the start of the year	-	-
Charge/(Credit) to Statement of Profit and Loss	1,790	-
Others (including exchange difference)	-	-
At the end of the year 31st March 2022	1,790	-

Component of Deferred Tax Assets as at 31st March 2022: (Rs. in lakhs)

Particulars	As at 1st Apr 21	Charge/ (Credit) to Statement of Profit and Loss	Charge/ (Credit) to OCI	Others (Including Exchange Difference)	As at 31st Mar 22
DTL Property, Plant and Equipment and Other Intangible Assets	-	(2,788)	-	-	(2,788)
DTA on Carried Forward Loss	-	5,098	-	-	5,098
DTL Expenses considered as revenue for Tax	-	(518)	(2)	-	(520)
Total	-	1,792	(2)	-	1,790

Tax expenses for the year can be reconciled to the accounting profit as follows:

	(Rs. in lakhs)	
	As at	
	31st Mar 22	31st Mar 21
Profit Before Tax and Exceptional Items	(1,158)	(2,389)
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	-	-
Current Tax Provision (A)	-	-
Incremental Deferred tax Liability/(Asset) on account of Property, Plant and Equipment and Intangible Assets	2,788	-
Incremental Deferred tax Liability/(Asset) on account of current year and c/f Loss	(5,098)	-
Incremental Deferred tax Liability / (Asset) on account of Financial Assets and Other items	520	-
Deferred Tax Provision (B)	(1,790)	-

23 RELATED PARTY DISCLOSURES

- (i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:
List of related parties with whom transactions have taken place and relationships:

Sr.No.	Name of the Related Party	Relationship
1	Jio Platforms Limited	Holding Company
2	Reliance Retail Limited	Fellow Subsidiary
3	Hathway Cable and Datacom Limited	
4	Hathway Digital Limited	
5	Individual Learning Limited (Formerly Individual Learning Private Limited)	
6	Indiawin Sports Private Limited	
7	TV18 Broadcast Limited	
8	NowFloats Technologies Private Limited	
9	C-Square Info-Solutions Private Limited	
10	Netmeds Marketplace Limited	
11	Reliance Jio Infocomm USA, Inc.	
12	Reliance Jio Infocomm Limited	
13	Reliance Foundation	
14	Sir H N Hospital Trust	
15	Shopsense Retail Technologies Limited (Formerly known as Shopsense Retail Technologies Private Limited)	
16	VasyERP Solutions Private Limited	Relative of KMP
17	Tanya Vaish	
18	Partha Roy	Key Managerial Personnel
19	Rahul Mukherjee	
20	Aakrit Vaish	

JIO HAPTIK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

(ii) Transactions during the year with related parties

Sr. No	Nature of Transactions (excluding reimbursements)	Holding Company	Fellow Subsidiary	Relative of KMP	Key Managerial Personnel	(Rs. in lakhs)
						Total
1	Shares issued and allotted	-	-	-	-	-
		(4,500)	-	-	-	(4,500)
2	Debentures issued and allotted	4,500	-	-	-	4,500
		-	-	-	-	-
3	Professional Fees	-	116	0*	-	116
		-	(402)	-	-	(402)
4	Marketing Expenses	-	13	-	-	13
		-	-	-	-	-
5	Revenue from Operations	547	111	-	-	658
		(371)	(221)	-	-	(592)
6	Purchase of Fixed Assets	-	678	1	-	679
		-	(8)	-	-	(8)
7	Staff Welfare Expenses	-	2	-	-	2
		-	-	-	-	-
8	Payment to Key Managerial Personnel	-	-	-	653	653
		-	-	-	(525)	(525)
9	Other Expenses	-	2	-	-	2
		-	1	-	-	1

* Professional Fees include payment made to Relative of KMP Rs.11,700

Balances as at 31.03.2022

					(Rs. in lakhs)
10	Share Capital (including Securities Premium)	32,300	-	-	32,300
		(32,300)	-	-	(32,300)
11	Trade Receivables	59	26	-	85
		-	(6)	-	(6)
12	Creditors for Capital Expenditure	-	431	-	431
		-	(112)	-	(112)
13	Convertible Debentures Issued	4,500	-	-	4,500
		-	-	-	-
14	Trade Payables	-	81	0*	81
		-	-	-	-

Figures in brackets represent previous year's amounts.

* Rs.6,075

(iii) Disclosure in Respect of Material Related Party Transactions during the year :

Particulars	Relationship	2021-22	(Rs. in lakhs) 2020-21
1 Shares issued and allotted			
Jio Platforms Limited	Holding	-	4,500
2 Optionally Convertible Debentures Issued			
Jio Platforms Limited	Holding	4,500	-
3 Revenue from Operations			
Jio Platforms Limited	Holding Company	547	371
Hathway Cable and Datacom Limited	Fellow Subsidiary	27	25
Hathway Digital Limited	Fellow Subsidiary	9	27
Indiavidual Learning Limited (Formerly, Individual Learning Private Limited)	Fellow Subsidiary	15	149
Indiawin Sports Private Limited	Fellow Subsidiary	7	7
Reliance Retail Limited	Fellow Subsidiary	3	13
NowFloats Technologies Private Limited	Fellow Subsidiary	8	-
C-Square Info-Solutions Private Limited	Fellow Subsidiary	6	-
Netmeds Marketplace Limited	Fellow Subsidiary	26	-
Reliance Foundation	Fellow Subsidiary	3	-
Sir H N Hospital Trust	Fellow Subsidiary	6	-
Shopsense Retail Technologies Limited (Formerly known as Shopsense Retail Technologies Private Limited)	Fellow Subsidiary	3	-
VasyERP Solutions Private Limited (Rs. 999 and Previous Year NIL)	Fellow Subsidiary	0	-

JIO HAPTIK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

4 Professional Fees			
Reliance Jio Infocomm USA, Inc.	Fellow Subsidiary	116	402
Tanya Vaish (Rs. 11,700 and Previous Year NIL)	Relative of KMP	0	-
5 Marketing			
TV18 Broadcast Limited	Fellow Subsidiary	13	-
6 Purchase of Fixed Assets			
Reliance Retail Limited	Fellow Subsidiary	1	8
Reliance Jio Infocomm USA, Inc.	Fellow Subsidiary	658	-
Tanya Vaish	Relative of KMP	1	-
TV18 Broadcast Limited	Fellow Subsidiary	20	-
7 Staff Welfare Expenses			
Reliance Retail Limited (Rs. 34,678)	Fellow Subsidiary	0	1
8 Payment to Key Managerial Personnel			
Aakrit Vaish	Key Managerial Personnel	653	525
9 Other Expenses			
Reliance Jio Infocomm Ltd	Fellow Subsidiary	2	1
Balances as at 31st March 2022			(Rs. in lakhs)
	Relationship	As at	As at
Particulars		31st March,	31st March, 2021
		2022	
10 Share Capital (including Securities Premium)			
Jio Platforms Limited	Holding	32,300	32,300
11 Optionally Convertible Debentures Issued			
Jio Platforms Limited	Holding	4,500	-
12 Trade Receivables			
Jio Platforms Limited	Holding Company	59	-
Reliance Retail Limited	Fellow Subsidiary	6	6
Hathway Cable and Datacom Limited	Fellow Subsidiary	2	-
Hathway Digital Limited	Fellow Subsidiary	6	-
Indiawin Sports Private Limited	Fellow Subsidiary	1	-
Indiavidual Learning Limited (Formerly, Individual Learning Private Limited)	Fellow Subsidiary	1	-
Netmeds Marketplace Limited	Fellow Subsidiary	3	-
Sir H N Hospital Trust	Fellow Subsidiary	7	-
VasyERP Solutions Private Limited (Rs. 1,178 and Previous Year NIL)	Fellow Subsidiary	0	-
13 Creditors for Capital Expenditure			
Reliance Jio Infocomm USA, Inc.	Fellow Subsidiary	425	112
TV18 Broadcast Limited	Fellow Subsidiary	6	-
Tanya Vaish (Rs. 34,425 and Previous Year NIL)	Relative of KMP	0	-
14 Trade Payables			
Reliance Jio Infocomm USA, Inc.	Fellow Subsidiary	75	-
Reliance Jio Infocomm Limited	Fellow Subsidiary	1	-
TV18 Broadcast Limited	Fellow Subsidiary	4	-
Tanya Vaish (Rs. 6,075 and Previous Year NIL)	Relative of KMP	0	-
15 Compensation of Key Management Personnel			
The remuneration of director and other member of key management personnel during the year was as follows:			
			(Rs. in lakhs)
		2021-22	2020-21
i) Short-term benefits		275	268
ii) Post employment benefits		4	0
iii) Other long term benefits		-	-
iv) Share based payments		374	257
v) Termination benefits		-	-
		653	525

JIO HAPTİK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

24 CAPITAL MANAGEMENT

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

- Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimize liquidity risk.
- Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings.
- Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of Balance Sheet.

Capital structure is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions and interest rates environment.

The Net Gearing Ratio at end of the reporting period was as follows:

Particular	(Rs. in lakhs)	
	As at 31st Mar 22	As at 31st Mar 21
Gross Debt	2,292	-
Cash and Marketable Securities	125	935
Net Debt (A)	2,167	(935)
Total Equity (As per Balance Sheet) (B)	30,961	27,323
Net Gearing (A/B)	0.07	-

(I) Commitments

Particulars	(Rs. in lakhs)	
	As at 31st Mar 22	As at 31st Mar 21
Estimated amount of contracts remaining to be executed on Capital account not provided for	51	23
Total	51	23

25 Financial Instruments

Valuation

All financial instruments are initially and subsequently re-measured at fair value as described below:

- The fair value of investment in Mutual Fund is measured at NAV.
 - All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- For all Financial Assets and Liabilities other than those carried at FVTPL and FVTOCI, the cost approximates the fair value as they are short-term in nature.

Fair Value Measurement Hierarchy:

(Rs. in lakhs)

Particulars	As at 31st March, 2022			As at 31st March, 2021		
	Carrying Amount	Level of input used in		Carrying Amount	Level of input used in	
		Level 1	Level 2		Level 1	Level 2
Financial Assets						
At Amortised Cost						
Trade Receivables	1,639	-	-	661	-	-
Cash and Bank Balance	125	-	-	130	-	-
Other Financial Asset	33	-	-	33	-	-
At FVTPL						
Investments	-	-	-	805	805	-
Financial Liabilities						
At Amortised Cost						
Borrowings	2,292	-	-	-	-	-
Trade Payables	432	-	-	263	-	-
Other Financial Liabilities	1,162	-	-	208	-	-

JIO HAPTIK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

The financial instruments are categorized into two levels based on inputs used to arrive at fair value measurements as described below:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2 : Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

Foreign Currency Risk

Foreign currency risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The following table shows foreign currency exposures in USD, GBP, SGD, AED and EURO on financial instruments at the end of the reporting period. The exposure to all other foreign currencies are not material.

Particulars	As at					As at
	31st March 2022					31st March 2021
	USD	GBP	SGD	AED	EURO	USD
Borrowings	-	-	-	-	-	-
Trade and Other Payables	103	2	-	-	-	42
Trade and Other Receivables	(518)	-	(55)	(2)	(3)	-
Exposure	(415)	2	(55)	(2)	(3)	42

Particulars	As at					As at
	31st March 2022					31st March 2021
	USD	GBP	SGD	AED	EURO	USD
Borrowings	-	-	-	-	-	-
1% Appreciation in INR*	4	(0)	1	0	0	(0)
Impact on P&L*	4	(0)	1	0	0	(0)
1% Depreciation in INR**	(4)	0	(1)	(0)	(0)	0
Impact on P&L**	(4)	0	(1)	(0)	(0)	0

* Current Year: GBP - (Rs.2036), AED - Rs.2442, EURO - Rs.3146 and Previous Year: USD - (Rs.42,000)

** Current Year: GBP - Rs.2036, AED - (Rs.2442), EURO - (Rs.3146) and Previous Year: USD - Rs.42,000

Credit Risk

Credit risk is the risk that a customer or counterparty to financial instrument will fail to perform or pay amounts due causing financial loss to company. Credit risk arises from company's activities in investments and receivables from customers. The Company ensure that sales of products are made to customers with appropriate creditworthiness. Investment and other market exposures are managed against counterparty exposure limits. Credit information is regularly shared between businesses and finance function, with a framework in place to quickly identify and respond to cases of credit deterioration.

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk is actively managed through Parent Company Guarantees, advance payments and factoring & forfaiting without recourse to the company to avoid concentration of risk. The company restricts its fixed income investments to liquid securities carrying high credit rating.

Liquidity Risk

Liquidity Risk arises from the company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient cash and Marketable securities. The company will ensure that sufficient liquidity is available to meet all its commitments by raising loans or arranging other facilities as and when required from Holding Company.

Particulars	Less than equal to 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Non Derivative Liabilities							
Non Current Borrowings	-	-	-	-	-	2,292	2,292
Total Borrowings	-	-	-	-	-	2,292	2,292

JIO HAPTIK TECHNOLOGIES LIMITED**Notes on Financial Statements for the year ended 31st March, 2022****26 SEGMENT REPORTING**

The company is involved in the business of developing conversational artificial intelligence driven platform. The Company has single segment as per the requirements of Ind AS 108 for "Operating Segment ". The assets and liabilities of the Company as on 31st March, 2022 predominantly relate to this segment. The company has fourteen customers (thirteen from single group) having revenue greater than 10% (aggregating to INR 1458.35 lacs) of the total revenue of the company.

27 SHARE BASED PAYMENTS**a) Scheme Details**

The Company has introduced Employee Stock Option Scheme (ESOS -2019) under which 58,69,375 options have been granted on 1st Oct'19 at the exercise price of Rs. 10 (face value Rs. 10 each) and Fair Value of Rs.49.35 on the basis of performance and other eligibility criteria.

Exercise Period would commence from the date of Vesting and would expire not later than seven years from the Grant Date or such other period as may be decided by the Nomination and Remuneration Committee.

a) Fair Value on the grant date

The fair value at grant date is determined using "Black Scholes Model" which takes into account the exercise price, term of the option, share price at grant date and expected price volatility of the underlying shares and the risk free interest rate for the term of the option.

During the year 4,07,500 options were granted under ESOS 2019. The model inputs for options granted during the year ended 31st March, 2022 included as mentioned below:

	ESOS - 2019
a) Weighted average exercise price	Rs. 10
b) Grant date	19.04.2021, 13.10.2021, 14.01.2022
c) Vesting year	2022-2027
d) Share Price at grant date	Rs. 49.35
e) Expected price volatility of Company's share	1%
f) Risk free interest rate	5.64% - 6.50%

b) Movement in share options during the year

Particulars	No of Options	
	As at 31st Mar'22	As at 31st Mar'21
Balance at beginning of the year	58,54,375	58,69,375
Add: Options Granted during the year	4,07,500	1,20,000
Less: Forfeited during the year	6,08,750	1,35,000
Less: Exercised during the year	-	-
Balance at end of the year	56,53,125	58,54,375

Weighted average remaining contractual life of the share option outstanding at the end of year is 487 days
(Previous Year 583 days)

28 PAYMENT TO AUDITORS

	(Rs. in lakhs)	
	As at 31st Mar'22	As at 31st Mar'21
i Statutory Audit Fees	7	6
ii Tax Audit Fees	1	1
iii Certification and Consultation Fees (Previous Year Rs. 40,000)	1	0
Total	9	7

JIO HAPTİK TECHNOLOGIES LIMITED

Notes on Financial Statements for the year ended 31st March, 2022

29 Ratio Analysis:

Sr.No	Particulars	2021-22	2020-21
1	Current Ratio*	0.79	2.73
2	Debt-Equity Ratio%	7%	NA
3	Debt Service Coverage Ratio^	-67	NA
4	Return on Equity Ratio &	2%	-9%
5	Inventory Turnover Ratio	NA	NA
6	Trade Receivables Turnover Ratio	3.21	3.99
7	Trade Payables Turnover Ratio !	7.42	12.40
8	Net Capital Turnover Ratio #	(5.64)	1.59
9	Net Profit Ratio \$	17.34%	-116%
10	Return on Capital employed (Excluding Working Capital Financing) **	-2.65%	-7.17%
11	Return on Investment ()	2.45%	3.07%

*The same is on account of higher Current liabilities compared to previous period.

%No Debt in previous year and hence NA

& Return on equity has turned positive on account of recognition of deferred tax asset

#Net capital turnover better on account of better utilisation of Capital for Generation of Revenue

\$ Net profit ratio is higher on account of impact of DTA taken in books.

! Trade Payable turnover decreased on account of no overdue payments

** Return on Capital Employed improved on account of overall increase in business

() Decrease is mainly on account of last year one time revenue of award winning

& ROE is adjusted for IAUD

** ROCE is adjusted for IAUD

^ On account of Optionally Fully Convertible Debentures issued during the year

29.1 Formule for computation of ratios are as follows:

Sr. No	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Shareholder's Equity}}$
3	Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
4	Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Shareholder's Equity}}$
5	Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade}}$
6	Trade Receivables Turnover Ratio	$\frac{\text{Net Credit Sales}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{\text{Net Credit Purchases}}{\text{Average Trade Payables}}$
8	Net Capital Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Working Capital}}$
9	Net Profit Ratio	$\frac{\text{Profit After Tax}}{\text{Value of Sales \& Services}}$
10	Return on Capital employed (Excluding Working Capital Financing)	$\frac{\text{Earnings before Interest and Tax}}{\text{Average Capital Employed}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents \& Other Marketable Securities}}$

JIO HAPTIK TECHNOLOGIES LIMITED**Notes on Financial Statements for the year ended 31st March, 2022****30 DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186 (4) OF THE COMPANIES ACT, 2013**

No investments are made, no loans and guarantees are given by the Company as at 31st March, 2022 (Previous year NIL)

31 The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

32 Other Statutory Information

1) The company has not incurred any transaction with struck off companies as per section 280 of companies act, 2013 or section 560 of companies act, 1956 i.e. investment in securities, receivable, payables, share held by struck off companies and other balances during the period.

2) The Company do not have any Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

3) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

4) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

5) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

6) The Company has not done any investment or trading in crypto and virtual currencies.

7) The company does not have any Benami property, where any proceedings has been initiated or pending against the Company for holding any Benami property.

8) The company has not declared as a wilful defaulter by any lender who has power to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

9) The Provision of Corporate Social Responsibility under section 135 of the Companies Act, 2013 are not applicable to the Company.

33 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by board of directors on 11th April, 2022

As per our Report of even date

For Pathak H. D. & Associates LLP
Chartered Accountants
Firm Regn No: 107783W/ W100593

For and on behalf of the Board

Gopal Chaturvedi
Partner
Membership No. 090903

Sanjay Mashruwala
Director

Jyotindra H. Thacker
Director

Kiran Mathew Thomas
Director

Shobhan Madhukant Thakore
Director

Aakrit Ajay Kumar Vaish
Whole Time Director

Dhirendra Shah
Director

Date: April 11, 2022

Partha Roy
Chief Financial Officer

Rahul Mukherjee
Company Secretary